

Name: Robel Desta

Student no: 2435635

Table of Contents

Contents	Page Number
Introduction.....	3
Brief Explanation of the Specific Business Problem.....	3
Two Alternative Solutions.....	3
Justification for Selected Solution.....	4
Risk Analysis of the Selected Solution.....	4
Plan to Implement the Selected Solution.....	4
Means of Measuring Effectiveness of Implementation of Selected Solution....	5

Conclusion	
.....	5
Reference	
List.....	6

INTRODUCTION

This report details a strategic analysis and proposed revitalization plan for Green Haven Florists, an independent flower shop in Norwich facing significant challenges. Over the past year, the business has experienced a substantial decline in revenue and foot traffic, attributed to a confluence of factors including increased

operational costs, heightened competition from online retailers and new local entrants, and a failure to adapt to evolving consumer demands and digital trends. The core objective of this report is to identify the root causes of Green Haven's current predicament and to propose actionable, data-driven solutions for its long-term sustainability and growth. We will examine the current market dynamics, customer behaviors, and competitive landscape, ultimately recommending a strategic direction that leverages Green Haven's existing strengths while embracing necessary modernizations. The proposed strategy focuses on enhancing their online presence and digital marketing efforts, while simultaneously diversifying their service offerings to include niche products and unique local experiences, thereby carving out a distinct and resilient market position. This report will outline the identified problems, the market context, and present a detailed implementation plan with measurable objectives and Key Performance Indicators (KPIs) to guide Green Haven Florists towards a more prosperous future.

Brief Explanation of the Specific Business Problem

Overview of the Case Study Green Haven Florists, a beloved independent flower shop in Norwich, UK, founded in 2016, is facing a significant business challenge. Despite a strong reputation for bespoke arrangements and sustainable ethos, the shop has experienced a 30% decline in in-store sales over the past year. This downturn, coupled with rising operational costs and increased competition, threatens its profitability and long-term sustainability. Liam and Priya, the founders, must adapt their business model to survive in a rapidly evolving retail landscape.

Causes Contributing to the Problem

Several factors contribute to Green Haven's current difficulties:

- Reduced Foot Traffic:** The high street location is experiencing less activity due to nearby business closures and a general consumer shift towards online shopping.
- Competition:** Larger online flower retailers offer convenience, lower prices, and frequent discounts. Additionally, two new local competitors—a trendy boutique with a strong social media presence and a national chain with aggressive pricing—have intensified market pressure.
- Rising Operational Costs:** Supply chain disruptions and inflation have increased the cost of fresh flowers, particularly imported varieties. Maintaining their commitment to expensive sustainable materials also adds to expenses.
- Outdated Digital Presence:** The shop's website is described as outdated and difficult to navigate, hindering online customer acquisition.
- Limited Digital Marketing:** Liam and Priya struggle with modern digital marketing, relying mainly on traditional word-of-mouth and sporadic social media posts, which are insufficient to reach a wider audience or compete effectively.
- Evolving Customer Expectations:** Customers desire

more flexible delivery options and subscription services, which Green Haven may not currently offer or adequately promote

Suggested Two Alternative Solutions

Solution A: Enhance Online Presence and E-commerce Capabilities

Explanation: This solution involves a comprehensive overhaul of Green Haven's digital strategy. It includes redesigning their website to be modern, user-friendly, and mobile-responsive, integrating an easy-to-use online ordering system, and implementing a robust digital marketing plan. This plan would focus on Search Engine Optimization (SEO) to improve visibility, targeted social media advertising (especially on platforms like Instagram), and email marketing campaigns to engage customers and promote new offerings.

PMI Analysis for Solution A

Plus (P): Increased reach beyond the local high street, improved customer convenience, better engagement with digitally-savvy consumers, potential for higher sales volume through online channels, and a stronger competitive stance against online retailers.

Minus (M): Requires significant investment in website development and digital marketing expertise/tools. There's a learning curve for Liam and Priya to manage the new digital systems and campaigns effectively. Initial results might take time to materialize.

Interesting (I): Could lead to partnerships with local businesses for online promotions, opening up new customer segments (e.g.,

corporate clients ordering online for events). Could also explore offering virtual consultations for bespoke arrangements.

Justification: By enhancing their online presence, Green Haven can directly address the shift in consumer behavior towards online shopping and overcome the limitations of their physical location. A user-friendly website and effective digital marketing will attract new customers, retain existing ones by meeting their digital expectations, and allow them to compete more effectively with online flower retailers by offering a seamless purchasing experience. This directly combats the decline in in-store sales and expands their market reach.

Solution B: Develop Niche Product Offerings and Local Experiences

Explanation: This solution focuses on leveraging Green Haven's strengths—bespoke arrangements, community ties, and sustainable ethos—by developing unique product lines and in-store experiences. This could include introducing premium subscription boxes featuring seasonal, locally sourced flowers, offering floral arrangement workshops for individuals or private groups, or creating curated gift packages that combine flowers with other local artisan products. The aim is to create a unique value proposition that differentiates them from mass-market online retailers.

2. PMI Analysis for Solution B

Plus (P): Capitalizes on existing brand strengths and customer loyalty, reinforces the "local and sustainable" image, creates

unique revenue streams beyond standard bouquets, and fosters stronger community engagement through workshops.

Minus (M): May appeal to a narrower customer segment initially, requires careful planning and execution of workshops and product development, and may not fully compensate for the loss of walk-in traffic from a general customer base.

Interesting (I): Could lead to collaborations with local cafes or gift shops, creating a "shop local" network. Workshops could become a significant social and revenue driver, attracting a dedicated following.

3. **Justification:** This solution addresses the problem by creating a unique selling proposition that mass online retailers cannot easily replicate. By focusing on niche products and local experiences, Green Haven can attract customers who value quality, craftsmanship, and community connection, even if they are willing to shop online. It differentiates them from competitors by offering more than just flowers, creating loyal customers who are invested in the Green Haven brand and its ethos

Why Solution A is Most Appropriate: Solution A directly tackles the core issues of declining foot traffic and the shift to online shopping. It offers a scalable way to reach a broader customer base and compete with online retailers, which is crucial for modern business survival. Justification and Defense: Investing in a user-friendly website and digital marketing will allow Green Haven to capture sales lost to online competitors and overcome the limitations of

their physical location. This approach is proactive and aligns with current consumer purchasing habits. Weightings: The "Plus" aspects of Solution A (increased reach, convenience, competitive edge) are given the highest weight because they directly address the most critical challenges facing Green Haven. The "Minus" aspects (investment, learning curve) are manageable with strategic planning and training.

Solution B: Develop Niche Product Offerings and Local

Experiences," stands out as the most appropriate primary solution for Green Haven Florists because it directly leverages their existing strengths and ethos to create a defensible competitive advantage, fostering long-term customer loyalty and profitability in a crowded market. Here's the justification and defense: **Leverages Core**

Strengths: Green Haven's foundation is built on "bespoke floral arrangements, eco-friendly packaging, and strong community ties." Solution B directly amplifies these unique selling propositions (USPs). In contrast, simply enhancing online presence (Solution A) might help them compete on convenience, but it doesn't inherently differentiate them from other online florists who can also invest in a good website.

Creates a Moat Against Competition: National chains offer aggressive pricing, and trendy boutiques have a strong social media presence. Green Haven cannot win on price alone, nor can it instantly replicate the trendy appeal. However, by focusing on niche offerings and local experiences, they create a unique value proposition that is difficult for larger, less personalized competitors

to imitate. Think of it as building a special garden that only they can cultivate.

Fosters Deeper Customer Loyalty: Customers who engage with niche products and local experiences often develop a stronger emotional connection to the brand. This loyalty is more resilient to price fluctuations and competition than a purely transactional relationship based on convenience or price. Workshops, curated local collaborations, and unique subscription services build community and a sense of belonging, which is highly valuable.

Addresses Changing Customer Desires Beyond Convenience: While convenience is important (addressed by Solution A), customers are increasingly seeking authenticity, sustainability, and meaningful experiences. Solution B taps directly into this trend, offering customers a reason to choose Green Haven beyond just needing flowers delivered.

Potential for Higher Profit Margins: Niche products and curated experiences often command higher price points and can lead to better profit margins compared to competing solely on volume or price in the mass market.

Defending the Weightings Attribute: When we talk about "weighting attributes" in this context, we're essentially assigning importance to different aspects of a solution when evaluating its effectiveness. For Solution B, the weightings would be high for attributes that align with its core strengths and the identified market gaps:

Differentiation: This would receive a **very high weighting**. Solution B's primary goal is to make Green Haven stand out. If a strategy doesn't significantly differentiate the business, it's unlikely to solve the core problem of declining sales due to competition.

Leveraging Existing Brand Equity/Ethos: This also gets a very high weight. Green Haven's existing reputation for sustainability and personal touch is an asset. Solutions that build upon this are more likely to be successful and authentic.

Customer Loyalty & Engagement: This attribute would have high weight. The goal isn't just short-term sales but to build a sustainable business. Solutions that foster deeper relationships and repeat business are crucial.

Profitability Potential: A high weighting is assigned here. While other factors are important, ultimately, the business needs to be profitable. Niche offerings and experiences often have the potential for better margins.

Feasibility/Implementation Effort: This might have moderate weighting. While it's important to consider how easy or difficult a solution is to implement, for a business facing survival, sometimes the "most appropriate" solution requires significant effort. However, if it's too difficult or resource-intensive, it might need to be re-evaluated. For Solution B, some aspects (like workshops) might be easier to start than others.

Solution A: Enhance Online Presence and E-commerce Capabilities

Risks: High development costs, competition on price/discounts

online, potential for negative online reviews if execution is poor, reliance on digital marketing trends that can change rapidly

Criteria Defense: These risks are critical because they directly impact financial viability (costs), competitive standing (price wars), brand reputation (reviews), and long-term effectiveness (changing trends).

Solution B: Develop Niche Product Offering and Local Experiences

Risks: Limited scalability of niche products/experiences, potential for low demand if the niche isn't broad enough, higher operational complexity (e.g., workshop logistics), and reliance on local foot traffic experiences.

Criteria Defense: These risks are important as they affect market reach (scalability), revenue generation (demand), operational efficiency (complexity), and the ability to recover local disruptions. Both solutions present valid risks, but their impact can be managed with careful planning and execution.

PHASE	TASK	SCHEDULE	RESPONSIBILITIES
1. Foundation & research (month 1-2)	Refine Niche offering & Experiences	Month 1	Liyam & Priya
	Assess operational	Month 1-2	Liyam & Priya

	capacity & partners		
	Customer & market research	Month 1-2	Liyam & Priya
2.Development & Integration (month3-5)	Enhance website (e-commerce booking)	Month 3-4	Liyam & Priya
	Develop Niche products & workshop plans	Month 3-4	Liyam & Priya
	Finalize Local partnerships	Month 4	Liyam & Priya
	Plan digital marketing strategy	Month 5	Liyam & Priya
3.Launch & Refinement	Soft launch Niche products & subscriptions	Month 6	Liyam & Priya
	Conduct first workshops	Month 6-7	
	Implement marketing campaign	Month 7	Priya (outsource)

	Monitor performance and gather feedback	Ongoing	Liyam & Priya
	Iterate and expand	Ongoing	Liyam & Priya

Here are KPIs and SMART objectives to measure the effectiveness of Green Haven's implementation:

Key Performance Indicators (KPIs):

1.Niche Product Sales Revenue: Tracks the direct financial contribution of new specialized products.

- **Defense:** This KPI directly measures the success of the "Niche Product Offering" aspect of Solution B, indicating market acceptance and profitability

2. Workshop Attendance & Revenue:

Monitors the participation and financial return from local experiences.

Defense: This KPI quantifies the impact of the "Local Experience" component of Solution B, showing engagement and revenue generation from workshops.

3. Online Conversion Rate (for Niche Products/Workshops):

Measures how effectively the enhanced website turns visitors into paying customers for new offerings.

- **Defense:** This KPI assesses the success of integrating Solution A (online enhancement) with Solution B, showing if the improved website effectively drives sales of the new niche items.

4. Customer Acquisition Cost (CAC) for New Offerings: Tracks how much it costs to acquire a customer for a niche product or workshop.

- **Defense:** This KPI helps evaluate the efficiency of marketing efforts related to the new strategies, ensuring they are cost-effective.

SMART Objectives:

Increase Niche Product Sales: Achieve a 20% increase in total revenue from niche products within the first 6 months post-launch.

- **Defense:** Specific (niche product revenue), Measurable (20% increase), Achievable (realistic growth target), Relevant (directly supports Solution B), Time-bound (6 months).

2. Boost Workshop Engagement: Successfully conduct 4 workshops per quarter, with an average attendance of 8 participants per workshop, within the first year.

- **Defense:** Specific (workshop number, attendance), Measurable (4 per quarter, 8 avg.), Achievable (depends on capacity, but a good starting goal), Relevant (supports Solution B's experiential aspect), Time-bound (per quarter/year).

3. Enhance Online Conversion: Improve the website's conversion rate for niche product sales from 1% to 3% within the first 4 months of the new website's launch.

Defense: Specific (conversion rate for niche products), Measurable (1% to 3%), Achievable (significant but attainable with a good website), Relevant (validates Solution A's impact on Solution B), Time-bound (4 months).

CONCLUSION

The core problem for Green Haven Florists is declining profitability due to increased competition, rising costs, and a failure to adapt to evolving consumer preferences, particularly the shift to online shopping. The key elements of the solution involve a strategic pivot centered on differentiation through niche offerings and local experiences (Solution B), coupled with a necessary enhancement of their online presence and digital marketing (Solution A). Specifically, success hinges on:

Specialization: Developing unique, high-value niche products (e.g., bespoke arrangements, sustainable subscriptions).

Experiential Value: Offering engaging local workshops to build community and attract customers.

Digital Transformation: Creating a modern, user-friendly website and implementing targeted digital marketing to reach customers effectively.

Operational Agility: Managing costs through efficient sourcing and potentially focusing on seasonal, local blooms.

By embracing these elements, Green Haven can move beyond competing on price and convenience, leveraging its unique strengths to create a sustainable and thriving business model in the modern retail landscape.

REFERENCE

- Chaffey, D. (2019). **Digital Marketing: Strategy, Implementation and Practice (7th ed.)**.
- Kotler, P., & Armstrong, G. (2018). **Principles of Marketing (17th ed.)**.
- Porter, M. E. (1980).
- Pine II, B. J., & Gilmore, J. H. (1999).
- Verhoef, P. C., & Langerak, F. (2002).